

## **JOINT COMMUNICATION**

### **Multi-Employer/UNA Collective Agreement Market Condition Lump Sum Payment Resolution of Issues re: Pension and Group RRSP September, 2008**

There has been a resolution reached by the Multi-Employer/UNA Joint Committee (Joint Committee) regarding the last two outstanding issues related to the Market Condition Lump Sum (MCLS) Payment LOU, which include:

- Pensionability of the MCLS payments and retroactive Employee and Employer contributions to the LAPP; and
- Inclusion of the MCLS payment as regular earnings for the purpose of the Group RRSP provided in Article 29.05.

#### **Background**

- The MCLS payment was added to the 2007 Multi-Employer/UNA Collective Agreement (Collective Agreement) to attract and retain nurses. The lump sums are paid for each six month period of the Collective Agreement commencing in October, 2007 and concluding in March, 2010.
- Alberta Pension Administration Corporation (APA) has confirmed that the MCLS payment is pensionable for LAPP.
- Nurses can elect to participate in the Group RRSP. The Group RRSP provides for matching Employer contributions of a maximum of 2% of all "regular earnings".
- The issue of whether the MCLS payment is "regular earnings" for the Group RRSP was grieved and scheduled for an arbitration hearing in December, 2008.

#### **Resolution**

The Joint Committee has had discussions and reached the following resolution to deal with both outstanding issues:

- LAPP contributions will be applied to future MCLS payments as required by the APA ruling on pensionability on a go-forward basis only. This means that Employers will have to deduct and remit Employer and Employee pension

contributions on the MCLS payment beginning with the MCLS payment due for October 2008. There will be no retroactive LAPP contributions for the two MCLS payments (October, 2007 and March, 2008) already paid; and

- Beginning with the MCLS payment due for October 2008, the MCLS payments will be treated as regular earnings for the purposes of contributions to the Group RRSP. This means that Employees will be able to include the MCLS payment due for October 2008 and future MCLS payments in their “regular earnings” to determine their and the Employer’s matching contributions to the Group RRSP in accordance with Article 29.05. In the event that an Employee has requested a standard percentage of regular earnings RRSP contribution amount, the same standard percentage Employee contribution amount and matching Employers contributions will apply to the MCLS payment for October 2008 and all future MCLS payments. There will be no retroactive Employee or Employer contributions and the scheduled arbitration is cancelled.

### **Schedule of Payment Dates**

The schedule of pay dates on which Employees will be receiving the next MCLS payment is attached as Appendix A.

If you have any questions regarding the resolution of this issue, please contact your applicable representative as follows:

**For the Union:**  
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**For the Employers:**  
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## Appendix A

### Market Condition Lump Sum Payment Employer Schedule for October 2008 Payment

<b>Employer</b>	<b>Date of MCLS Payment</b>
Chinook Health	October 24, 2008
Palliser Health Region	November 10, 2008
Calgary Health Region	October 31, 2008
David Thompson Health Region	October 25, 2008
East Central Health	November 10, 2008
Capital Health	October 31, 2008
Aspen Regional Health	October 29, 2008
Peace Country Health	October 24, 2008
Northern Lights Health Region	October 16, 2008
St. Michael's Health Centre, Lethbridge	October 25, 2008
Mineral Springs Hospital, Banff	October 24, 2008
Our Lady of the Rosary	November 10, 2008
The Bethany Group	November 10, 2008
Killam General Hospital	November 10, 2008
Lamont Health Centre	October 31, 2008
St. Mary's Hospital, Camrose	November 10, 2008
Dr. Cooke Extended Care Centre	October 24, 2008
St. Joseph's Gen Hosp, Vegreville	November 10, 2008
Caritas Health Group	October 23, 2008
Bonnyville Health Centre	October 29, 2008